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# Russian Federation Livestock and Products Russia Distributes Beef and Pork TRQs 2006

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## **Report Highlights:**

The Ministry of Economic Development and Trade recently distributed 100 percent of beef and pork tariff rate quotas (TRQs) in accordance with resolution No. 732, issued on December 5, 2005. New companies not on the list that would like to import beef and pork will not be given the opportunity to do so as stated in the new resolution. Poultry TRQs will be distributed soon according to MEDT officials.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Moscow [RS1] [RS]

### Summary

On March 29, 2006, the Ministry of Economic Development and Trade (MEDT) published an official list of meat traders and determined the level of import duties for beef and pork products for 2006. In accordance with resolution No. 732, new companies interested in importing beef and pork products will not be given the opportunity to do so since the auction format used in previous years has been removed. MEDT is expected to publish new poultry TRQs shortly.

### **Basis for Distribution**

MEDT, in accordance with resolution No. 732 dated December 5, 2005, "On Imports of Beef, Pork and Poultry Meat in 2006-2009" (see attached) published an official list of foreign meat trade participants and determined the level of import duties for beef and pork products for 2006 including HS Codes No. 0201, 0202 and 0203. The distribution is expected to take place until April 15, 2006 and is calculated proportionally to the annual volumes of beef, pork or poultry imported by these participants into the Russian customs territory from January 1 through December 31 of the previous year, subtracting 25 percent of beef, pork or poultry volumes distributed in December of the previous year proportionally to the beef, pork or poultry volumes imported by these participants to the Russian customs territory from January 1 through September 30 of the previous year, with the exception of beef, pork or poultry originated and imported from CIS member states.

Starting September 15, 2006, licenses will be issued for importing beef, pork and poultry volumes not used as of August 1 of the current year on the basis of applications filed by participants that received licenses for importing beef, pork and poultry until August 1, 2006.

Validity of the import licenses for beef, pork and poultry issued in accordance with point 4 of this resolution is set until December 31. Extensions to the licenses beyond that date are not permitted.

### Comments

Meat importers are not complaining about the results of the meat TRQ distribution this year. It appears that the process was done in accordance with the resolution and volumes of meat allocated for each particular company was found to be acceptable. New companies interested in importing beef and pork products will not be permitted to do so since the auction format used in previous years has been removed. In the past, 10-15 percent of TRQs were traded at auctions where newcomers could buy bids and create a historical reference for future distributions. That is no longer the case. MEDT is still working on the poultry TRQ distribution and the list of poultry traders. The results will be published soon according to MEDT officials.

# Unofficial Embassy Translation of Resolution No. 732

Begin Translation:

The Resolution of the Russian Federation Government dated December 5, 2005, No. 732, Moscow "On Imports of Beef, Pork and Poultry Meat in 2006-2009". The resolution comes into effect beginning January 1, 2006.

To ensure conditions favorable for the stable development of the Russian production of beef, pork and poultry in 2006-2009, the Russian government rules:

- 1. To approve the list of commodities and the import volumes to the Russian Federation for 2006-2009 according to Attachment 1.
- 2. Annually, the Ministry of Economic Development and Trade (MEDT) shall submit import customs duty rates for the period of 2006-2009 within the limits according to Attachment 2 to Russian government for approval in accordance with the established procedures.
- 3. The Federal Customs Service shall clear through customs the commodities identified in Attachment 1 to this resolution that will be imported from 2006-2009 in accordance with the customs release procedures for domestic consumption on the basis of licenses issued by MEDT according to the established procedures.
- 4. MEDT shall implement within 5 days from the day the application is submitted in accordance with the established procedures:
  - Beginning December 15 of the previous year until August 1 of every next year, licenses shall be issued for importing 100 percent of the amount of commodities identified in Attachment 1 to this resolution to meat traders involved in importing cattle meat, fresh or chilled, frozen, codes 0201 and 0202 (hereinafter beef), fresh, chilled or frozen pork, code 0203 (hereinafter pork), and poultry meat, code 0207 (hereinafter poultry) in the previous year, in accordance with the customs release procedures for domestic consumption; with distributing until April 15 of the current year proportionally to the annual volumes of beef, pork or poultry imported by these participants into Russian customs territory from January 1 through December 31 of the previous year, subtracting 25 percent of beef, pork or poultry volumes distributed in December of the previous year proportionally to the beef, pork or poultry volumes imported by these participants to the Russian customs territory from January 1 through September 30 of the previous year, with the exception of beef, pork or poultry originated and imported from CIS member states;
  - Beginning September 15 of the current year, import licenses will be issued for beef, pork and poultry volumes not used as of August 1 of the current year on the basis of applications filed by meat traders who received licenses for importing beef, pork and poultry until August 1 of the current year, proportionally to beef, pork or poultry volumes that they had imported into Russian customs territory from January 1 through December 31 of the previous year, with the exception of beef, pork or poultry originated and imported from CIS member states.
- 5. Validity of licenses for importing beef, pork and poultry issued in accordance with point 4 of this resolution is set until December 31 and extensions are not permitted.
- 6. The following documents shall be considered invalid:
  - The Russian government resolution of January 23, 2003, No. 48 "On Measures for the Russian Poultry Industry Protection" (Compiled statutes of the Russian Federation, 2003, No. 5 Article 487);
  - The Russian government resolution of June 19, 2003, No. 348 "On Introducing Changes to the Russian government resolution, dated January 23, 2003, No. 48 "On Measures for the Russian Poultry Industry Protection" (Compiled Statutes of the Russian Federation, 2003, No. 25 Article 2531);
  - The Russian government resolution of November 29, 2003, No. 724 "On Peculiarities of Applying Special Protection Measures with Respect to Poultry

- Meat" (Compiled statutes of the Russian Federation, 2003, No. 49, Article 4777);
- The Russian government resolution of December 30, 2004, No. 880 "On Peculiarities of Applying Special Protection Measures with Respect to Poultry Meat in 2005" (Compiled statutes of the Russian Federation, 2005, No. 1, Article 124);
- The Russian government resolution of November 8, 2005, No. 663 "On Introducing Changes to the Russian Government" dated January 23, 2003, No. 48 and December 30, 2004, No. 880 (Compiled statutes of the Russian Federation, 2005, No. 46, Article 4678).
- 7. This Resolution went into effect on January 1, 2006. The Russian Federation Prime Minister Mikhail Fradkov Attachment No. 1 of resolution No. 732:

List of commodities and import volumes to the Russian Federation 2006-2009, 1,000 MT

|                    |         | 1        | ian rederation 2006 |       |
|--------------------|---------|----------|---------------------|-------|
| Commodity          | 2006    | 2007     | 2008                | 2009  |
| 1. Beef, fresh or  | 27.8    | 28.3     | 28.9                | 29.5  |
| chilled, codes     |         |          |                     |       |
| 0201               |         |          |                     |       |
| Including          | 1       | T        |                     | T     |
| EU                 | 27.3    | 27.8     | 28.4                | 29    |
| Other              | 0.5     | 0.5      | 0.5                 | 0.5   |
| Countries          |         |          |                     |       |
| 2. Beef, frozen,   | 435     | 440      | 445                 | 450   |
| codes 0202         |         |          |                     |       |
| Including          | 1       | <b>.</b> |                     |       |
| EU                 | 343.7   | 347.6    | 351.6               | 355.5 |
| USA                | 17.9    | 18.1     | 18.3                | 18.5  |
| Paraguay           | 3       | 3        | 3                   | 3     |
| Other              | 70.4    | 71.3     | 72.1                | 73    |
| Countries          |         |          |                     |       |
| 3. Pork, fresh,    | 476.1   | 484.8    | 493.5               | 502.2 |
| chilled or frozen, |         |          |                     |       |
| 0203               |         |          |                     |       |
| Including          |         |          |                     |       |
| EU                 | 240.5   | 244.9    | 249.3               | 253.4 |
| USA                | 54.8    | 49.0     | 49.8                | 50.7  |
| Paraguay           | 1       | 1        | 1                   | 1     |
| Other              | 179.8   | 189.9    | 193.4               | 197.1 |
| Countries          |         |          |                     |       |
| 4. poultry meat    | 1,130.8 | 1,171.2  | 1,211.6             | 1,252 |
| and offal, fresh,  |         |          |                     |       |
| chilled or frozen, |         |          |                     |       |
| code 0207          |         |          |                     |       |
| Including          |         |          |                     |       |
| EU                 | 220.6   | 228.6    | 236.4               | 244.4 |
| USA                | 841.3   | 871.4    | 901.4               | 931.5 |
| Paraguay           | 5       | 5        | 5                   | 5     |
| Other              | 63.9    | 66.2     | 68.8                | 71.1  |
| countries          |         |          |                     |       |

Attachment No. 2 to resolution #732:

Level of import duties for 2006-2009, (in percent of custom value or in Euros)

| Commodity  | 2006           | 2007           | 2008           | 2009             |  |  |  |
|--|----------------|----------------|----------------|------------------|--|--|--|
| 1. Beef, fresh or chilled, codes 0201                    |                |                |                |                  |  |  |  |
| Within quota   | 15%, but not   | 15%, but not   | 15%, but not   | 15%, but not     |  |  |  |
| -  | less than 0.2  | less than 0.2  | less than 0.2  | less than 0.2    |  |  |  |
|  | Euro per kilo  | Euro per kilo  | Euro per kilo  | Euro per kilo    |  |  |  |
| Out of quota   | 55% but not    | 50%, but not   | 45%, but not   | 40%, but not     |  |  |  |
|  | less than 0.7  | less than 0.65 | less than 0.6  | less than 0.53   |  |  |  |
|  | Euro per kilo  | Euro per kilo  | Euro per kilo  | Euro per kilo    |  |  |  |
| 2. Beef, frozen, codes 0202                              |                |                |                |                  |  |  |  |
| Within quota   | 15%, but not   | 15%, but not   | 15%, but not   | 15%, but not     |  |  |  |
|  | less than 0.15 | less than 0.15 | less than 0.15 | less than 0.15   |  |  |  |
|  | Euro per kilo  | Euro per kilo  | Euro per kilo  | Euro per kilo    |  |  |  |
| Out of quota   | 55% but not    | 52.5% but not  | 50% but not    | 40% but not      |  |  |  |
|  | less than 0.55 | less than 0.53 | less than 0.5  | less than        |  |  |  |
|  | Euro per kilo  | Euro per kilo  | Euro per kilo  | 0.4Euro per kilo |  |  |  |
| 3. Pork, fresh, chilled or frozen, 0203                  |                |                |                |                  |  |  |  |
| Within quota   | 15%, but not   | 15%, but not   | 15%, but not   | 15%, but not     |  |  |  |
|  | less than 0.25 | less than 0.25 | less than 0.25 | less than 0.25   |  |  |  |
|  | Euro per kilo  | Euro per kilo  | Euro per kilo  | Euro per kilo    |  |  |  |
| Out of quota   | 60% but not    | 55% but not    | 50% but not    | 40% but not      |  |  |  |
|  | less than 1.0  | less than 0.9  | less than 0.83 | less than 0.55   |  |  |  |
|  | Euro per kilo  | Euro per kilo  | Euro per kilo  | Euro per kilo    |  |  |  |
| 4. Poultry meat and offal, fresh, chilled or frozen 0207 |                |                |                |                  |  |  |  |
| Within quota   | 25%, but not   | 25%, but not   | 25%, but not   | 25%, but not     |  |  |  |
|  | less than 0.2  | less than 0.2  | less than 0.2  | less than 0.2    |  |  |  |
|  | Euro per kilo  | Euro per kilo  | Euro per kilo  | Euro per kilo    |  |  |  |
| Out of quota   | 60% but not    | 55% but not    | 50% but not    | 40% but not      |  |  |  |
|  | less than 0.48 | less than 0.4  | less than 0.4  | less than 0.32   |  |  |  |
|  | Euro per kilo  | Euro per kilo  | Euro per kilo  | Euro per kilo    |  |  |  |

End Translation.

Source: Rossiiskaya Gazeta, December 14, 2005